

WorkFirst Reexamination Workgroup

Focus Area Briefing Paper

Issue: Returns to Temporary Assistant for Needy Families (TANF)

Goal: Increase self-sufficiency

Description: Most parents who leave TANF do not return to the caseload. Of the roughly 5000 adults who exit each month, over 60% do not return to TANF within in the next year. Of those that do return to TANF, roughly one-third return within the first three months after exit. Of the entrants each month, roughly 39% are completely new to TANF. The rest of the entrants have been off TANF for less than one year (37%), or returning after more than one-year's absence.

Research results:

It is difficult to answer the question “why do people return to TANF?” Many of the factors that differentiate those more and less likely to return are personal characteristics that clients bring with them to the WorkFirst program, over which policymakers and case managers have little control. According to the WorkFirst Longitudinal Study (WFLS), returners:

- have longer histories of TANF receipt
- have more learning disabilities
- are more likely to be native English-speakers
- have larger families
- are younger
- are in worse health (mental & physical)
- are less likely to be white
- have more work-limiting conditions
- report more substance abuse
- have less work experience
- are less likely to have left TANF with earnings
- have jobs with lower wages, fewer hours, and less paid leave.

Because exit interview data for TANF leavers is spotty at best, it is difficult to assess the reasons that returners originally left the caseload and their reason for returning. National survey data indicates that those who left because of non-compliance are the most likely to return, but this is not particularly applicable to Washington, with no full-family sanction policy. Among the other reasons given in the Urban Institute's National Survey of American Families, those who left because they “didn't want or need benefits” were the least likely to return (15.4%), followed by those who left for work (21%) and then those who left for other reasons, including moving and reaching time limits (also not relevant in Washington) (23%).

Again according to the WFLS, among those who returned, the reasons for return were:

- inability to find work or loss of work (39-51%, varies by cohort)
- inadequate pay (8-13%)
- pregnancy or childbirth (8-11%)
- sickness or disability (10-14%)
- personal problems (6-12%)

The DSHS leavers study found additional frequent reasons:

- Marriage/partnership breakup (13%)
- Needed health care (6%)
- Returned to the state (6%)
- Child returned to the home (5%)
- Loss of alimony, child support, or SSI (4%)

This plethora of explanations for returns explains, to a large extent, why the issue of returns has no simple solution—the solutions are as numerous as the complexities of clients' lives. The one recurring theme seems to be the quality of employment. As one might expect, better jobs (higher pay, more hours, more benefits, more security) correlate with more sustained exits.

National research also indicates that receipt of some transitional supports lowers the return rate. In particular, clients who left TANF with child care assistance, Medicaid, or help with expenses (Washington's 'support services') were significantly less likely to return.

There may be some variation in return rates by the program components in which clients participate, but the data is not definitive. According to research done by Employment Security, clients who enroll in Job Search in a given quarter are more likely to leave TANF and less likely to return than clients who enroll in Customized Job Skills Training (CJST) or combine the two activities. Although this study does not control for selection bias or retention in components, it does show consistent differences. For example, among clients who enrolled in each component in the spring quarter of 2003, the return rate for those who had started JS was 22 percentage points lower than the rate for those who had started CJST.